

3RD QUARTERLY REPORT
for the Quarter & Nine Months
ended March 31, 2022

BRAINS SECURITIES (PRIVATE) LIMITED



CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN

Chaudhary Zahid Hussain

CHIEF EXECUTIVE

Chaudhary Zahid Hussain

DIRECTORS

Chaudhary Zahid Hussain
Mr. Bashir Ahmed Bajwa

AUDITORS

Amin Mudassar & Co
Chartered Accountants

LEGAL ADVISOR

Mian Asghar Mahmood

BANKERS

Habib Bank Limited
Bank Al-Habib Limited

REGISTERED OFFICE

Room # 613, LSE Building,
19-Khayaban-e-Awan-e-Iqbal,
Lahore.
Tel: +92-42-36300161-3
Website: www.brainssecurities.com
Email: info@brainssecurities.com



DIRECTORS' REVIEW

I am pleased to present the interim financial results of the Company for the quarter and nine months ended March 31, 2022.

During the quarter, the Company's Brokerage Income was substantially decreased as compared to the quarter ended March 31, 2021.

Loss after tax for the quarter is Rs. 599,878 as compared to the loss of the quarter ended March 31, 2021, which was Rs.6,123.

I would like to commend and acknowledge, on behalf of the Board, the devotion and hard work of our employees and all other stakeholders in creating Brains Securities (Pvt) Ltd. what it is today.

For and on behalf of the Board

Chaudhary Zahid Hussain
Chairman

Lahore
April 15, 2022



BRAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022 (Unaudited)

	(Un-audited) March 31, 2022 Rupees	(Audited) June 30, 2021 Rupees
ASSETS		
NON CURRENT ASSETS		
Property and equipment	1,906,695	2,082,839
Intangible assets	9,700,642	9,716,475
Long term investments	16,764,123	16,764,123
Long term deposits	1,500,000	1,500,000
Deferred Tax	2,693,828	2,693,828
	32,565,288	32,757,265
CURRENT ASSETS		
Trade debts	52,064,545	24,001,542
Trade deposits ,short term prepayments and current account balance with statutory authorities	3,345,400	19,810,183
Cash and bank balances	1,199,361	12,262,126
	56,609,306	56,073,851
	89,174,594	88,831,116
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized Share Capital		
500,000 ordinary shares of Rs.100 each.	50,000,000	50,000,000
Issued, Subscribed and Paid up Capital		
500,000 ordinary shares of Rs.100 each.	50,000,000	50,000,000
Accumulated loss	(3,103,503)	(5,883,540)
Fair Value Adjustment Reserve	15,453,856	15,453,856
	62,350,353	59,570,316
Director's Loan	2,125,000	1,183,000
	64,475,353	60,753,316
CURRENT LIABILITIES		
Trade and other payables	24,699,241	28,077,800
	24,699,241	28,077,800
CONTINGENCIES AND COMMITMENTS		
	89,174,594	88,831,116

The annexed notes form an integral part of the condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR



BRAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2022 (Unaudited)

	Nine Months ended March 31		Quarter ended March 31	
	2,022	2,021	2,022	2021
	Rupees	Rupees	Rupees	Rupees
Brokerage and commission	17,988,720	32,908,923	3,331,449	16,129,738
	17,988,720	32,908,923	3,331,449	16,129,738
Direct cost	8,623,219	14,288,065	1,941,409	9,778,340
	9,365,501	18,620,858	1,390,040	6,351,398
Operating expenses	8,247,104	9,307,212	2,680,635	6,514,621
Other (income)/expense	(1,681,271)	(1,097,010)	(692,851)	(165,425)
	6,565,833	8,210,202	1,987,784	6,349,196
PROFIT/(LOSS) FROM OPERATIONS	2,799,668	10,410,656	(597,744)	2,202
Finance cost	19,631	8,404	2,134	8,325
PROFIT/(LOSS) BEFORE TAXATION	2,780,037	10,402,252	(599,878)	(6,123)
Taxation	0	0	0	0
(LOSS)/PROFIT FOR THE PERIOD	2,780,037	10,402,252	(599,878)	(6,123)
EARNING PER SHARE - BASIC AND DILUTED	5.56	29.72	(1.20)	(0.02)

The annexed notes form an integral part of the condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR



RAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2022 (Unaudited)

	Nine Months ended March 31		Quarter ended March 31	
	2,022	2,021	2,022	2021
	Rupees	Rupees	Rupees	Rupees
Loss for the period	2,780,037	10,402,252	(599,878)	(6,123)
Other comprehensive income/(loss) for the period	-	-	-	-
Total comprehensive loss for the period	2,780,037	10,402,252	(599,878)	(6,123)

The annexed notes form an integral part of the condensed interim financial information.

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CHIEF EXECUTIVE

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DIRECTOR



BRAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2022 (Unaudited)

		Nine Months ended March 31	
	Note	2,022 Rupees	2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/ (Loss) before taxation		2,780,037	10,402,252
Adjustments of items not involving movements of cash:			
Depreciation		176,144	216,710
Amortization		15,833	18,040
Finance Cost		-	8,404
		191,977	243,154
Operating Cash Flows Before Working Capital Changes		2,972,014	10,645,406
(Increase) / Decrease in Working Capital			
(Increase) / decrease in current assets			
Trade Debts		(28,063,003)	(18,012,220)
Trade deposits and short term prepayments		16,464,783	(13,162,423)
Increase / (decrease) in current liabilities			
Deposits, Accrued Liabilities and Advances		(4,409,196)	
Trade and other payables		2,142,796	22,864,233
		(13,864,620)	(8,310,410)
Cash Generated From / (Used in) Operations		(10,892,606)	2,334,996
Taxes paid		(1,112,159)	-
Finance Cost Paid		-	(8,404)
Net cash Flows From Operating Activities		(12,004,765)	2,326,592
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed Capital Expenditure		-	(259,000)
Short Term Investment		-	-
Net Cash Flows From Investing Activities		-	(259,000)
CASH FLOWS FROM FINANCING ACTIVITIES			
Shares issued during the period		-	-
Director's loan		942,000	-
Net Cash Flows From Financing Activities		942,000	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(11,062,765)	2,067,592
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		12,262,126	7,917,590
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	A	1,199,361	9,985,182
A Cash and Cash Equivalents			
Cash and bank balances		1,199,361	9,985,182
		1,199,361	9,985,182

The annexed notes form an integral part of the condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR


BRAINS SECURITIES (PVT) LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2022 (Unaudited)

	Paid up capital	Accumulated loss	Fair Value Adjustment Reserve	Share deposit money	Long Term Loan	Total
----- (R u p e e s) -----						
Balance as at July 01, 2019	35,000,000	(13,194,714)	15,571,033	0	1,183,000	38,559,319
Loss After Taxation	0	10,402,252	0	0	0	10,402,252
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	10,402,252	0	0	0	10,402,252
Balance as at March 31, 2020	35,000,000	(2,792,462)	15,571,033	0	1,183,000	48,961,571
Balance as at July 01, 2020	35,000,000	(11,181,007)	15,211,690	0	1,183,000	40,213,683
Loss After Taxation	0	10,402,252	0	0	0	10,402,252
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	10,402,252	0	0	0	10,402,252
Balance as at March 31, 2021	35,000,000	(778,755)	15,211,690	0	1,183,000	50,615,935
Balance as at July 01, 2021	50,000,000	(5,883,540)	15,453,856	0	1,183,000	60,753,316
Director's Loan					942,000	942,000
Loss After Taxation	0	2,780,037	0	0	0	2,780,037
Other Comprehensive Loss	0	0	0	0	0	0
Total Comprehensive Loss for the Period	0	2,780,037	0	0	0	2,780,037
Balance as at March 31, 2022	50,000,000	(3,103,503)	15,453,856	0	2,125,000	64,475,353

The annexed notes form an integral part of the condensed interim financial information.

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CHIEF EXECUTIVE


DIRECTOR

Electricity and water expenses

Earnings per share



22.

TRANSACTIONS WITH RELATED PARTIES

Associated Company

Funds transferred

23.

BRAINS SECURITIES (PVT) LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED MARCH 31, 2022 (Unaudited)

1 COMPANY AND ITS OPERATION

The company was incorporated as Private Limited Company on July 24, 2015 under the Companies Ordinance, 1984. The company is engaged in the business of share brokerage and investment in securities. The registered office of the company is situated at Room # 613, LSE Building, 19-Khayaban-e-Awan-e-Iqbal, Lahore.

The company is a holder of Trading Right Entitlement Certificate (TREC) of Pakistan Stock Exchange Limited.

2 STATEMENT OF COMPLIANCE

This interim financial information of the Company for the quarter and nine months ended March 31, 2022 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, Provision of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This interim financial information is un-audited and is being submitted to shareholders, as required by the Companies Act, 2017.

3 BASIS OF PREPARATION

This interim financial information does not include all the information and disclosures required in annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June-30, 2021.

The accounting policies adopted for the preparation of this interim financial information are same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2021.



4 JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended June 30, 2021.

5 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies since the date of preceding annual financial statements.

6 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 15, 2022 by the Board of Directors of the Company.

7 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.



CHIEF EXECUTIVE



DIRECTOR

